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FM AMEMBASSY GUATEMALA
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INFO WHA CENTRAL AMERICAN COLLECTIVE

UNCLAS GUATEMALA 000771

E.O. 12958: N/A

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SUBJECT: A VIEW FROM THE FIELD: THE COLOM GOVERNMENT'S
POVERTY REDUCTION PLAN IN ACTION

REF: A. GUATEMALA 655 B. GUATEMALA 564

¶1. Summary. The Colom government's political fortunes are closely linked with its ability to deliver on promises of reducing poverty, especially among the rural, indigenous poor of Guatemala. Across the countryside, optimistic technocrats are determined to implement new programs announced by the Colom Government to reverse decades of chronic malnutrition and high maternal mortality rates in Guatemala's poorest districts. Econoff visited four of the forty-five municipalities identified for priority programs to observe how the conditional cash transfer program and others are functioning. While the transfer program is off to a strong start in some areas, much coordination is needed to deliver results to the communities that await its arrival. End Summary.

Colom Organizes Government to Address Poverty

¶2. Shortly after being inaugurated in January, President Colom announced the creation of the Social Cohesion Council to coordinate the GOG's anti-poverty efforts, led by First Lady Sandra Torres de Colom. The council is composed of members from the Ministry of Education, the Ministry of Public Health and Social Assistance, the Ministry of Energy and Mines, and the secretaries of both Food Security (SESAN) and the Office of Social Work (SOSEP). This council has no budget of its own, but it manages roughly USD269 million in these agencies' funds, which is 19 percent of Guatemala's annual budget.

¶3. In March, the president created a Rural Development Council that will follow the same model as the Social Cohesion Council but has a mandate to focus exclusively on the country's 45 poorest municipalities, according to director Roberto Dalton. This Council will direct funds of the Ministry of Agriculture, SESAN, and the Secretariat of Agrarian Affairs (that addresses land issues). Colom stated that together, these councils would form "his left and right arms to serve the purposes of the neediest and to reach the problems of the lowest in the country." According to 2007 statistics, 51 percent of Guatemalans live in poverty, and 15 percent live in extreme poverty.

¶4. The Social Cohesion Council determined that its efforts would be focused on the forty-five poorest municipalities across Guatemala, with the ultimate aim of assisting some 1.7 million Guatemalans in 5,289 individual communities. The areas were selected through analysis of poverty levels, chronic malnutrition, death rates, and education performance. The Social Cohesion Council created an emergency plan that outlines how each member will focus existing and planned programs on the priority municipalities. The Council plans to expand the number of priority municipalities to 125 in ¶2009.

Conditional Cash Transfers

¶5. The main effort of the First Lady's Social Cohesion Council is implementation of the conditional cash transfer program named "Mi Familia Progresá." Under this program, families with school-aged children and/or pregnant mothers receive between Q150-300 (USD20-40) each month. In order to participate, the family must be located in a priority

municipality and the mother must present current vaccination records and proof of regular school attendance for each child. This program is modeled after other successful programs that have been implemented in Brazil ("Bolsa Familia"), Chile ("Chile Solidario") and Mexico ("Oportunidades").

16. In May, the Colom government began rolling out this program in six municipalities, with a plan to expand to new areas each week until all forty-five priority municipalities are implementing the program by mid-summer. The first municipalities are located in the mostly indigenous departments of Solola, Quiche, Totonicapan, and San Marcos. Eventually the program will also be introduced in designated areas of Huehuetenango, Peten, Alta Verapaz, Baja Verapaz, and Chiquimula.

17. Guatemala has the highest rate of child malnutrition in the Western Hemisphere. Forty-nine percent of children suffer from chronic malnutrition nationwide, and the rates are much higher in Guatemala's poorest communities. Local officials assert that the root causes of malnutrition in Guatemala are driven by social and cultural norms rather than a lack of food. This concept was repeated often in Econoff's discussions with international organizations, local mayors' offices, and the technical experts from SOSEP and SESAN. In Totonicapn, where 70 percent of children are malnourished, Father Jacinto Lozano observed that malnutrition is causing underdevelopment in local children, and he is worried that parents do not keep enough agricultural produce for the family's consumption before selling the excess. Visiting doctors and nurses in Solola note that mothers are not well-informed about the foods that children should eat. Pregnant mothers need to learn to consume healthy foods along with the family, instead of following cultural practices that guide her to eat what is leftover after her husband and children are fed.

Emphasis on Women, Health, and Education

18. Development of a network of women leaders is a core element of the Social Cohesion Council's plans, which will rely on this network to implement future social development projects. This group of women, one from each neighborhood in the municipality, would volunteer to help coordinate implementation of the cash transfer program. Some of the identified women previously worked as volunteers for the "Growing Well" program coordinated by SOSEP, a smaller nutrition program under the previous administration. In Santa Cruz La Laguna, in the department of Solola, this network of women is fully engaged in coordinating implementation of the "Mi Familia Progres" program with the mayor's office, the health center, and the local schools. In Totonicapan, SOSEP representatives are working to create a municipal level Office of Women that will eventually formalize the networks. The SOSEP representative there explained that this is the plan for every identified municipality, and Offices of Women will be established throughout the summer.

19. In the Santiago municipality of Solola, the mayor's office told us that the conditional cash transfer program is the most important assistance seen in Panabaj since Hurricane Stan in 2005. At the health center that serves the crowded temporary housing complex, the nurse estimates that approximately 200 families will be eligible for Mi Familia Progres. Of these, 73 families have already qualified, 30 are waiting to obtain complete vaccination information, and over 100 have not yet started the process. Antonia Garcia Hernandez, the Women's Coordinator for the area, explained that many mothers are unfamiliar with the process of accounting for prior vaccinations, and some cannot find the records. At the health center, Doctor Gabriel Juarcas pointed out that the conditional cash transfers are changing views of vaccinations amongst indigenous mothers; where vaccinations were once feared because the population believed

they caused sterilization, they are now viewed more readily as a requirement for improving a child's life.

¶10. Schoolteachers are also reporting greater participation by parents as the conditional cash transfer program gets underway. In Cerro de Oro of Santiago municipality, one school principal claims to have met with every parent of the 69 families that have qualified in her school. She believes that the attendance reporting requirement of the Mi Familia Progreso program will incentivize parents to keep their children in school throughout the coffee harvest season. Currently, many of the 149 students in her school are pulled out of classes for two or three months at a time to help their parents work.

A Long Term Plan

¶11. In Solola and Totonicapan, representatives from SOSEP and SESAN are candid and determined when talking about the poverty reduction initiatives of the Colom government. The complexity of project implementation is compounded by the reality that every person employed in the effort accepted his or her job within the past three months. Francisco Noj, a SESAN employee in Totonicapan stated, "This is not a short term effort, we will not know the results in even four years. This is a long-term project, for the next twenty years." In Solola, another SESAN representative said, "We'll know we have succeeded when this is a program that continues after our term, under another president, no matter what political party."

¶12. A representative from "Accion Ciudadana", the Guatemalan chapter of Transparency International, believes that the conditional cash transfer program will succeed, mainly because similar programs have been implemented with success in other Latin American countries. This echoes the praise for the program that was expressed by economist Francis Fukuyama when he visited Guatemala this spring. While few argue with the initiative to assist Guatemala's poorest communities, some openly state that the cash transfers will not be sufficient to create the change that is needed. Many insist that much more is needed before Guatemala's cycle of poverty and malnutrition will be broken.

¶13. Comment: The Colom Government has appropriately identified chronic malnutrition as not only an urgent humanitarian priority, but also as an imperative for the country's economic growth and competitiveness. Nascent assistance programs reflect President Colom's efforts to follow through on his campaign promise to address long-ignored health, education, and rural development concerns. However, the short-term impact of the programs has already been affected by the recent rise in food and energy prices and the lack of government resources to increase funding.

Derham